

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02485A  
Spring Branch Water Company Inc.  
P.O. Box 4070  
Salinas CA 93912

S

**ANNUAL REPORT**

**RECEIVED**

AUG 18 2003

**FOR YEAR ENDING**

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

12	31	2002
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FOR COMMISSION USE

Ann04	02
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*Entered  
8/18/03  
C.M.*

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Springbranch Water Company</u>			
<b>Mailing Address</b> <u>P.O. Box 4070</u>			
<u>Salinas</u> (City)	<u>CA</u> (State)	<u>93912-4070</u> (Zip)	
<u>831-455-2950</u> Telephone No. (Include Area Code)	<u>831-455-3669</u> Fax No. (Include Area Code)	<u>n/a</u> Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>n/a</u>			
<b>Local Office Mailing Address</b> <u>P.O. Box 4070</u>			
<u>Salinas</u> (City)	<u>CA</u> (State)	<u>93912-4070</u> (Zip)	
<u>831-455-2950</u> Local Office Telephone No. (Include Area Code)	<u>831-455-3669</u> Fax No. (Include Area Code)	<u>n/a</u> Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>n/a</u>			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>David L. Hostetter</u>			
<u>P.O. Box 4070</u> (Street)		<u>Salinas</u> (City)	<u>CA</u> (State)
<u>831-455-3683</u> Telephone No. (Include Area Code)		<u>831-455-3669</u> Fax No. (Include Area Code)	<u>n/a</u> Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>n/a</u>			
<b>On Site Manager:</b>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b>			

**Statutory Agent:**\_\_\_\_\_

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:**\_\_\_\_\_

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☒ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)**\_\_\_\_\_

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

COMPANY NAME Springbranch Water Company

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	Ø		
302	Franchises	Ø		
303	Land and Land Rights	Ø		
304	Structures and Improvements	Ø		
307	Wells and Springs	Ø		
311	Pumping Equipment	Ø		
320	Water Treatment Equipment	Ø		
330	Distribution Reservoirs and Standpipes	Ø		
331	Transmission and Distribution Mains	Ø		
333	Services	Ø		
334	Meters and Meter Installations	Ø		
335	Hydrants	Ø		
336	Backflow Prevention Devices	Ø		
339	Other Plant and Misc. Equipment	Ø		
340	Office Furniture and Equipment	Ø		
341	Transportation Equipment	Ø		
343	Tools, Shop and Garage Equipment	Ø		
344	Laboratory Equipment	Ø		
345	Power Operated Equipment	Ø		
346	Communication Equipment	Ø		
347	Miscellaneous Equipment	Ø		
348	Other Tangible Plant	Ø		
	<b>TOTALS</b>	Ø		

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Springbranch Water Company

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0	0
302	Franchises	}	}	}
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	0	0	0

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME

Springbranch Water Company

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 0	\$ 0
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 0	\$ 0
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 0	\$ 0
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 0	\$ 0
	<b>TOTAL ASSETS</b>	\$ 0	\$ 0

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Springbranch Water Company

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 0	\$ 0
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 0	\$ 0
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 0	\$ 0
	<b>TOTAL LIABILITIES</b>	\$ 0	\$ 0
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 0	\$ 0
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 0	\$ 0

COMPANY NAME Springbranch Water Company

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 0	\$ 0
460	Unmetered Water Revenue	7	7
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 0	\$ 0
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 0	\$ 0
	<b>OPERATING INCOME/(LOSS)</b>	\$ 0	\$ 0
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	7	7
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 0	\$ 0
	<b>NET INCOME/(LOSS)</b>	\$ 0	\$ 0



COMPANY NAME Springbranch Water Company

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	0	0	0	0
Source of Loan	7	7	7	7
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued				
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$ 0	\$ 0	\$ 0	\$ 0

Meter Deposit Balance at Test Year End      \$ 0

Meter Deposits Refunded During the Test Year      \$ 0

COMPANY NAME

Springbranch Water Company

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
	No wells have yet been transferred to the Company.					

- Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
n/a		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
n/a			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
n/a			

COMPANY NAME

Springbranch Water Company

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2	<del>2</del>	
3		
4		
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	<del>0</del>
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

N/A

OTHER:

N/A

COMPANY NAME:

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	0	0	0
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
	TOTAL	N/A	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes ( ) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes ( ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. \_\_\_\_\_ mg/l

*(If more than one well, please list each separately)*

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Springbranch Water Company YEAR ENDING 12/31/2002

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMPANY NAME Springberrch Water Company YEAR ENDING 12/31/2002

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

David L Hostetter  
SIGNATURE

8/15/03  
DATE

David L Hostetter  
PRINTED NAME

Chief Financial Officer  
TITLE

RECEIVED

AUG 18 2003

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Pinal</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>David L. Hostetter, CFO</u>
COMPANY NAME	<u>Springbranch Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2002</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 0

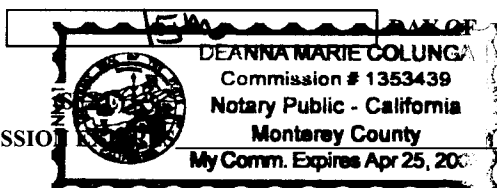
(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



MY COMMISSION

David L. Hostetter  
SIGNATURE OF OWNER OR OFFICIAL  
831-455-3683  
TELEPHONE NUMBER

COUNTY NAME	<u>Monterey</u>
MONTH	<u>August</u>
	<u>2003</u>

SIGNATURE OF NOTARY PUBLIC

VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**

**RECEIVED**

AUG 18 2003

VERIFICATION

INTRASTATE REVENUES ONLY

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Pinal</u>	
NAME (OWNER OR OFFICIAL) <u>David L. Hostetter</u>	TITLE <u>CFO</u>
COMPANY NAME <u>Springbranch Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

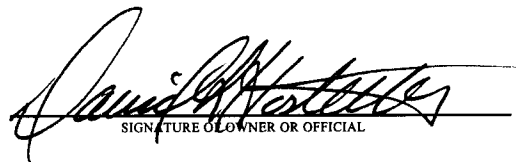
**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>0</u>

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

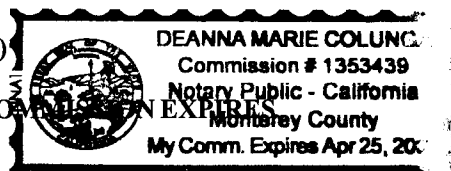
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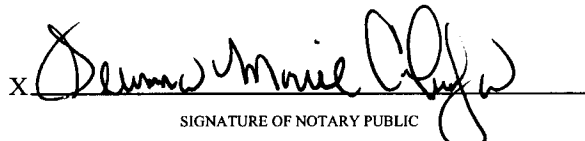
DAY OF

NOTARY PUBLIC NAME <u>Deanna Marie Colunga</u>	
COUNTY NAME <u>Monterey</u>	
MONTH <u>August</u>	. 20 <u>03</u>

(SEAL)

MY COMMISSION EXPIRES



X   
SIGNATURE OF NOTARY PUBLIC